



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number: LLS 21-0619
Prime Sponsors: Rep. Hanks

Date: February 23, 2021
Bill Status: House Agriculture
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Bill Topic: WATER STORAGE TANK GRANT PROGRAM

Summary of Fiscal Impact:

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill creates a water storage tank grant program in the State Forest Service. The bill increases state expenditures annually through FY 2024-25.

Appropriation Summary:

No appropriation is required. Transferred funds are continuously appropriated to the Department of Higher Education for allocation to the State Forest Service at Colorado State University.

Fiscal Note Status:

The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under HB 21-1042

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures	Cash Funds	\$4,986,782	\$4,986,782
	Centrally Appropriated	\$13,218	\$18,816
	Total Expenditures	\$5,000,000	\$5,000,000
	Total FTE	0.7 FTE	1.0 FTE
Transfers	General Fund	(\$5,000,000)	(\$5,000,000)
	Cash Funds	\$5,000,000	\$5,000,000
	Net Transfer	\$0	\$0
TABOR Refund		-	-

Summary of Legislation

The bill creates the Water Storage Tank Wildfire Mitigation Grant Program in the Colorado State Forest Service at Colorado State University (CSU). Local governments and nonprofit organizations may use grant awards to purchase water storage tanks for fighting wildfires. The State Forest Service must develop and publish rules, administer the program, award grants, and make annual reports to the General Assembly.

The bill also creates a corresponding cash fund in the state treasury. Money in the fund is continuously appropriated to the Department of Higher Education for allocation to the State Forest Service at CSU for use in the grant program. The State Forest Service may use part of the allocation for administrative expenses. In FY 2021-22, and each fiscal year through FY 2024-25, the bill transfers \$5.0 million from the General Fund to the Water Storage Tank Wildfire Mitigation Cash Fund. The grant program is repealed January 1, 2026.

State Transfers

For FY 2021-22, and each fiscal year thereafter through FY 2024-25, this bill transfers \$5.0 million from the General Fund to the Water Storage Tank Wildfire Mitigation Cash Fund.

State Expenditures

For FY 2021-22, the bill increases state expenditures in the DHE by \$5.0 million and 0.7 FTE to implement a water storage tank grant program. For FY 2022-23, new costs are \$5.0 million and 1.0 FTE. The State Forest Service at CSU will require new administrative staff to create and manage the new grant program. After administrative costs, about \$4.9 million is available annually for water storage grants. New state expenses are displayed in Table 2.

Table 2
State Expenditures under HB 21-1042

Cost Components	FY 2021-22	FY 2022-23
Department of Higher Education		
Personal Services	\$68,716	\$97,437
Operating Expenses	\$1,080	\$1,350
Capital Outlay Costs	\$6,200	-
Water Storage Grants	\$4,910,786	\$4,882,397
Centrally Appropriated Costs ¹	\$13,218	\$18,816
Total	\$5,000,000	\$5,000,000
Total FTE	0.7 FTE	1.0 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$13,218 in FY 2021-22 and \$18,816 in FY 2022-23.

Local Government

As an eligible recipient of grant funding from the State Forest Service, local governments that participate and receive grants will have resources to store more water.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Higher Education